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JOHN WELLS KING ADMITTED IN VA AND DC OUR FILE NO. 0040-100-63

February 7, 1997

William F. Caton, Acting Secretary Federal Communications Commission 1919 M Street, N.W. Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

Re: MM Docket No. 96-197

Newspaper/Broadcast Cross-Ownership

Dear Mr. Caton:

On behalf of Donrey Media Group I transmit herewith ten copies of its comments in the above-referenced proceeding, in the form of a letter of Emmett Jones, Donrey's President and Chief Operating Officer.

The original of Mr. Jones letter will be filed upon receipt by the undersigned.

Kindly communicate any questions directly to this office.

John Wells King

JWK/jb Enclosures

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## MIPLICATE COPY

## DONREY MEDIA GROUP

NEWSPAPER OUTDOOR CABLE

MMETT JONES
'RESIDENT
'HIEF OPERATING DEFICER
300 WHEELER AVENUE
'OST OFFICE BOX 17017
DAT SMITH, ARKANBAS 72817-7017
101-785-8473
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Mr. William F. Caton Acting Secretary Federal Communications Commission 1919 M Street, N.W. Washington, DC 20554

Re: In the matter of Newspaper/Radio - Cross-Ownership Waiver Policy

MM Docket 96-197

In the matter of Newspaper/TV - Cross-()wnership Waiver Policy

MM Docket 96-197

Comment Date: 2/7/97

Dear Mr. Caton:

This letter is in reference to the Commission's request for comments on changes, if any, which should be made to the newspaper/broadcast cross-ownership waiver policy with respect to newspaper/radio and newspaper/TV cross-ownership restrictions.

DR Partners d/b/a Donrey Media Group ("Donrey") operates 47 daily newspapers in small to medium-sized cities in 17 states and also operates the Las Vegas Review-Journal in Las Vegas, Nevada. Additionally, the company operates eight outdoor advertising companies. In the past, before the adoption of the cross-ownership restrictions, Donrey owned and operated AM radio stations and TV stations in markets where it owned daily newspapers. All such stations have been sold. Donrey currently does not have any plans to re-enter radio broadcasting, but has explored this segment of the media market from time to time.

Donrey believes that, since the cross-ownership rules were adopted in 1975, the media landscape has expanded exponentially in the smaller communities in which it operates. Such communities now have full access to the Internet. The availability of local cable television advertising and programming services has dramatically changed the competition matrix. Each community has either a competing daily, weekly or shopper publication. "Niche" publications such as senior citizen magazines, parent magazines and the like have also proliferated in each of the communities in which Donrey operates. Since 1975, the Commission has also licensed LPTV stations in many Donrey communities. The number of radio stations licensed to each of the smaller communities in which Donrey operates has also increased dramatically. Many of these



William F. Caton Page 2 February 7, 1997

stations are not able to attract the advertising revenues necessary to operate profitably and would benefit from the operating synergies of a local newspaper.

We believe the newspaper/broadcast cross-ownership rules, whether for television or radio, are anachronistic, violative of the First Amendment, and place our company at a competitive economic disadvantage. They should be repealed in their entirety.

As an example, we call your attention to one particular market in which Donrey operates. Bartlesville, Oklahoma, is a town of approximately 34,000 people and is located 45 miles north of Tulsa, Oklahoma. Donrey publishes the Bartlesville Examiner-Enterprise, a 12,000 circulation, 6-day daily newspaper in the market. The Bartlesville market is served by 12 radio stations which place their principal community contours within the Bartlesville market. In addition, more than 20 Tulsa radio stations cover the Bartlesville market. The Tulsa World, a metropolitan newspaper, has a 25% market penetration in Bartlesville. Bartlesville is also served by the "Good News" and "Bargain Post", both shoppers. One of the Bartlesville stations, KRIG-FM, actually engages in the publishing business. KRIG publishes a shopper, "Coupon Express," which it distributes by mail and other means in the Bartlesville area. It touts its increased circulation over the Bartlesville Examiner-Enterprise (20,000 v. 12,000). On October 31, 1996, Coupon Express had more than 24 pages of advertising from Bartlesville and surrounding areas. It sells advertising in conjunction with its publishing enterprise and the radio station. KRIG is permitted to engage in the publishing business, while Donrey is not allowed to purchase and operate a local radio or TV station in the Bartlesville market.

We believe the Commission's radio and TV cross-ownership rules put the Bartlesville Examiner-Enterprise and similar Donrey newspapers at an unfair economic disadvantage, vis à vis, the local radio/TV stations which are allowed to publish and distribute print publications.

mmett Jones